



RESPONSIBLE MANAGEMENT

Human Rights: Commitment_

We are committed to work proactively within our sphere of influence to avoid any kind of human rights abuses

Telefónica acknowledges that consistent management of Human Rights is critical to our business success, and mainly because:

- Telefónica operates across countries with heterogeneous Human Rights challenges and opportunities.
- Developments in technology make Human Rights risks and opportunities much more significant for the sector. Significance is increasing with the development of the "Internet of things" or "Big Data".

Telefónica is consequently committed to respecting all internationally recognized Human Rights referenced in the Universal Declaration of Human Rights (UDHR), the International Covenant on Civil and Political Rights (ICCPR), International Covenant on Economic, Social, and Cultural Rights (ICESCR), the International Labour Organisation's (ILO) Eight Core Conventions on Fundamental Human Rights, the ILO Convention 169 on Indigenous Peoples' Rights, the UN Convention on the Rights of the Child (UNCRC) and the UN Convention on the Rights of Persons with Disabilities (CRPD).

As members of the Global Compact since 2002, we have assumed the commitment to respect and protect them, in accordance with its 10 Principles. Along the same lines, we respect the framework established by UN Guiding Principles on Business and Human Rights.

Our commitment

In line with our Business Principles, we are committed to respecting the Human Rights of all people, including our employees, community members, customers and business partners, as well as the millions of others whose lives are affected by our products and services every day.

Telefónica, especially commits to strive itself within its sphere of influence -including its personnel, business partners and other parties linked to its activities- to understand, continuously learn, and improve if deem appropriate to ensure to proactively avoid any kind of Human Rights abuses, as well as complicity in abuses of our business partners.

Our Human Rights approach is built around five core components covering our sphere of influence:

- 1. Our people.** We respect our people by setting high labor, environmental, health & safety standard, as well as fair, equal and premium working conditions.
- 2. Our technologies.** We believe that technology has positive Human Rights impact. When used appropriately, our products and services should facilitate, and not repress, privacy and freedom of expression. We recognize that as a leading technology provider with global operations, our business can help to promote – or be used to impede – Human Rights. The stakes grow higher every year as information

At Telefónica we are aware that consistent management of human rights is critical to the success of our business



Implementation

We have developed a seven-step framework that serves as the foundation for management of Human Rights, the implementation of key practices across the Group, and the achievement of industry leadership.

1

Creation of a Human Rights commitment that is aligned with our Business Principles and is being integrated into our existing corporate and country-level policies: human resources, corporate security, audit, social innovation, regulatory, legal, procurement, sustainability, sales, marketing and product design.

2

Incorporation of Human Rights into our auditing framework.

3

Assessment of our Human Rights impacts in each of our markets.

4

Provision of Human Rights training for relevant employees and suppliers that are customized based on the audience, issue and geography.

5

Adaptation of our existing grievance mechanism to ensure it applies to relevant Human Rights risks specific to each market.

6

Continuous engagement with our stakeholders to join collaborative efforts that tackle industry risks and create innovative partnerships to capitalize on leadership opportunities.

7

Monitor and report to communicate progress and challenges both globally and locally.

Telefónica expects all of its partners to show the same degree of commitment

and communications technologies (ICT) become ever more important in how people work, learn and interact with one another. We henceforward recognize the important to have a human centered approach when we develop our services and products.

3. Our business partners. We recognize that our responsibility to respect Human Rights cover our direct impacts and extend to our business relationships. Expecting high labor conditions, environmental performance and excellent health and safety management in our supply chain is one way for Telefónica to leverage, and make the best we can to effect change and mitigate risks of abusive behavior of business relationships. We expect that all our business partners act in this line, including those one or more steps within our value chain.

4. Our role in the communities. By applying our products, services, besides our knowledge to local community challenges, we can address some of the greatest local needs with due regard for Human Rights.

5. Our role for the change. We also recognize that respecting Human Rights can have implications which are beyond our own direct sphere of influence. We commit to explore every relevant opportunity of engagement or alliance with external stakeholders enabling to create leverage effecting systemic changes and promoting respect of Human Rights.

Governance

The Corporate Reputation and Sustainability Direction at Telefonica SA, with the participation of their counterparts in countries areas, is

responsible to promote, coordinate, measure and report both, globally and locally, the development and implementation of this commitment.

Telefónica is committed to maintaining a transparent approach to management of our Human Rights program, and thus encourages periodic sharing, within our internal committees, the vision of our key external stakeholders on Human Rights.

Improvement process

Telefónica is working to implement this commitment in all its business and countries where operates. In this line:

- We assess in a periodic way our Human Rights impacts of all our operations on an ongoing basis. To best respect Human Rights, we regularly review and update our relevant policies, processes and management systems.
- We also regularly review and strengthen anonymous grievance reporting mechanisms that allow our employees and others affected by our operations to report suspected incidents of Human Rights abuse. We investigate and, where appropriate, take remedial action to address reported violations.
- We provide more transparent reporting about risks, incidents and action taken.

Telefónica extends respect for human rights to all its areas of activity